

This Section for DOGM Use:

Assigned DOGM File No.: S 10491 059
DOGM Lead: Lynn Kunzler
Permit Fee \$ 150⁰⁰ Ck # 1033

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

I. GENERAL INFORMATION (Rule R647-3-104)

1. **Name of Mine:** Moss Rock Mining Operations
2. **Name of Entity Applying for Permit:** Moss Rock Products, LLC
Contact (Authorized Officer): A. Vern Tharp, Jr.
Address: 5040 Acoma Street
City, State, Zip: Denver, Colorado 80216
Phone: 303-324-7623 **Fax:** 303-295-1216
E-mail Address: vtharp@aol.com

Entity is a: Corporation () LLC (X) Sole Proprietorship (dba) ()
Partnership () General _____ or _____ limited
Individual () Other () - specify type _____

Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations www.commerce.utah.gov.

Are you currently registered to do business in the State of Utah? ☒ Yes ☐ No
Entity # 6335988-0160

Local Business License # _____
Issued by: County _____ or City _____

Registered Utah Agent (as identified with the Utah Department of Commerce):

Name: Kerry Owens, Esq.
Address: 201 So. Main Street, Suite 1800
City, State, Zip: Salt Lake City, Utah 84111
Phone: 801-536-6640 Fax: 801-536-6111
E-mail Address: _____

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3. **Entities Representative (if different from #2)**

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

4. **If Partnership or Sole Proprietor:**
Name of 1st partner / Sole Proprietor:

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Partnership:

Name of 2nd Partner: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Corporation:

Name of Officers: _____ Title: _____
_____ Title: _____
_____ Title: _____
_____ Title: _____

If Limited Liability Company: Member Managed ☐ Manager Managed ☐

Name of 1st Member/Manager: Vern Tharp
Address: 5040 Acoma Street
City, State, Zip: Denver, Colorado 80216
Phone: 303-324-7623 Fax: 303-295-1216
E-mail Address: _____

Name of 2nd Member/Manager: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

Name of 3rd Member/Manager: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

5. **Ownership of Land Surface:**

Private (Fee) ☒ XXX Public Domain (BLM) ☐ National Forest (USFS) ☐
State Trust Land/School Sections ☐ State Sovereign Lands ☐

Other (please describe):

Wilshire Consulting
Name Group, LLC Address 5040 Acoma St, Denver, CO 80216
Name _____ Address _____
Name _____ Address _____
Name _____ Address _____

6. **Ownership of Minerals:**

Private (Fee) ☒ XX Public Domain (BLM) ☐ National Forest (USFS) ☐
State Trust Land/School Sections ☐ State Sovereign Lands ☐

Other (please describe):

Wilshire Consulting
Name Group, LLC Address 5040 Acoma Street, Denver, CO 80216
Name _____ Address _____
Name _____ Address _____
Name _____ Address _____

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s):

BLM Claim Numbers

Utah State Lease Number(s):

Name of Lessee(s)

7. **Have the above surface and mineral owners been notified in writing?**

Yes XXXX No _____

If no, why not?

Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

8. **Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice?** Yes XXX No _____

II. **PROJECT LOCATION & MAP (Rule R647-3-105)**

1. **Project Location** (legal description):

County(ies): Utah County

 1/4, of SE 1/4, of NE 1/4: Section: 28 Township: 9S Range: 2W
 1/4, of NE 1/4, of NE 1/4: Section: 27 Township: 9S Range: 2W
 1/4, of 1/4, of SW 1/4: Section: 22 Township: 9S Range: 2W

UTM East SEE FACT SHEET (if known) UTM North SEE FACT SHEET (If known)

Name of Quad Map for Location: ALLEN RANCH, UTAH

2. An accurate topographic base map showing the location of the proposed small mining operation must be submitted with this notice. The areas to be disturbed including access roads, must be plotted in sufficient detail so that they can be located on the ground. It is recommended that the Permittee / Operator also photo document, plot and label any pre-existing disturbances in the immediate vicinity that he is not responsible for.
3. The proposed (5 acre or less) disturbed area boundary (including access/haul roads) **should** be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN (Rule R647-3-106)**

1. **Type of mining:** Surface ☒XX Underground ☐

2. **Mineral(s) to be mined:** Surface Rock Only

3. **Amount of material to be extracted, moved or proposed to be moved:** 30,000 Tons

4. **Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process?**
Yes ☐ No ☒XX If yes, please describe (add extra pages if needed)

5. **Provide a brief description of the proposed mining operation and onsite processing facilities** (add extra pages if necessary). Operation will remove dacorative or moss rock only. Operation will use straps to lift rock from ground using boom truck, crane or telehandler.

6. ☒ **New Road(s):** Length 5,990 (ft) Width 15 (ft)

7. ☐ **Improved Road(s):** Length _____ (ft) Width _____ (ft)

8. Total project surface acreage to be disturbed: 4.99 (acres) **PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount – see #VI).**
9. Proposed startup date of project (month, year) October 15, 2006
10. Proposed completion date of project, if known (month, year) Unknown

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at www.ogm.ut.gov.

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to mining.
11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Yes ☒ No ☐

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. A variance shall be granted if the alternative method or measure proposed will be consistent with the Act.

1st Variance Requested

9 Reclaim all roads
Item # Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed))
Justification: Post-Mining the roads established here will be the
~~Alternate methods or measure to be utilized:~~ only roads into the property
See attached Reclamation Plan. Para #7

2nd Variance Requested

10 Stockpile Top Soil
Item # Applicable Rule #
Justification: Operation will not significantly disturb surface
Alternate methods or measure to be utilized: Use methods to reduce or eliminate
the need for re-seeding. See Attached Reclamation Plan. Para #9

3rd Variance Requested

12, 13 & 14 Prepare Seed Bed & Re-Seed
Item # Applicable Rule #
Justification: Operation will not significantly disturb surface
Alternate methods or measure to be utilized: Use methods to reduce or eliminate
the need for re-seeding. See Attached Reclamation Plan,
Attach additional page if more variances are requested. Para #8, 9 & 10.

VI. SURETY (Act 40-8-7(1)(c))

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations.

The Utah Mined Land Reclamation Act (40-8-7 (1)(c) and 40-8-14 provides the authority that all mining operations furnish and maintain reasonable surety to guarantee that the land affected is reclaimed according to accepted notices consistent with on-site conditions.

The surety amount is based on the nature, extent and duration of operations. *The surety amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions.*

Surety for small mines sites will be escalated three (3) years to the future. Contact the Division for dollar amount required for this project.

I have provided or will provide surety in the form of:

- ☐ Certificate of Deposit ☐ Letter of Credit ☒ Surety Bond ☐ Cash (certified funds)
☐ Other _____ (please identify)

VII. PERMIT FEE [Mined Land Reclamation Act 40-8-7(1)(i)]

The Utah Mined Land Reclamation Act of 1975 [40-8-7(1)(i)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), permit fees are assessed to new and existing notices of intention, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Small Mine Notices require a \$150.00 fee which must accompany this application or it cannot be processed by the Division.

NOTICE: The following person(s) are authorized and designated to receive Notices of Violations, Cessation Orders and all other Notices required by the Division to be given to the permittee or operator:

Name: Vern Tharp
Address: 5040 Acoma Street
City, State, Zip: Denver, Colorado 80216
Phone: 303-324-7623 Fax: 303-295-1256
E-mail Address: vtharp@aol.com

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

VIII. SIGNATURE REQUIREMENT

(Please check the box and place your initials on the line provided)

- AT ☒ I have enclosed the required permit fee.
- ☒ I have enclosed a complete Reclamation Contract (Form MR-RC) and the appropriate reclamation surety amount or have made arrangements as to when the surety will be furnished.
- AT ☒ I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved in writing from the Division of Oil, Gas and Mining and any other authorized regulatory agency.

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. **This certification must be executed by an executive officer if the applicant is a corporation; by a partner if applicant is a partnership (general or limited); owner if applicant is a sole proprietorship; member or manager if applicant is a limited liability company.**

Signature: 

Date: September 28, 2006

Name (typed or printed): A. Vern Tharp, Jr.

Title/Position (if applicable): Manager

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FACT SHEET

The attached illustration uses a USGS 1:24,000 to depict the overall area of operations. The new "access/haul" road starts at the point marked "Begin" and continues past the "Small Rock Field, Big Rock Field, Point 1 and terminates at the "High Rock Field".

This permit requests an area of 4.99 Acres, the details of which appear below:

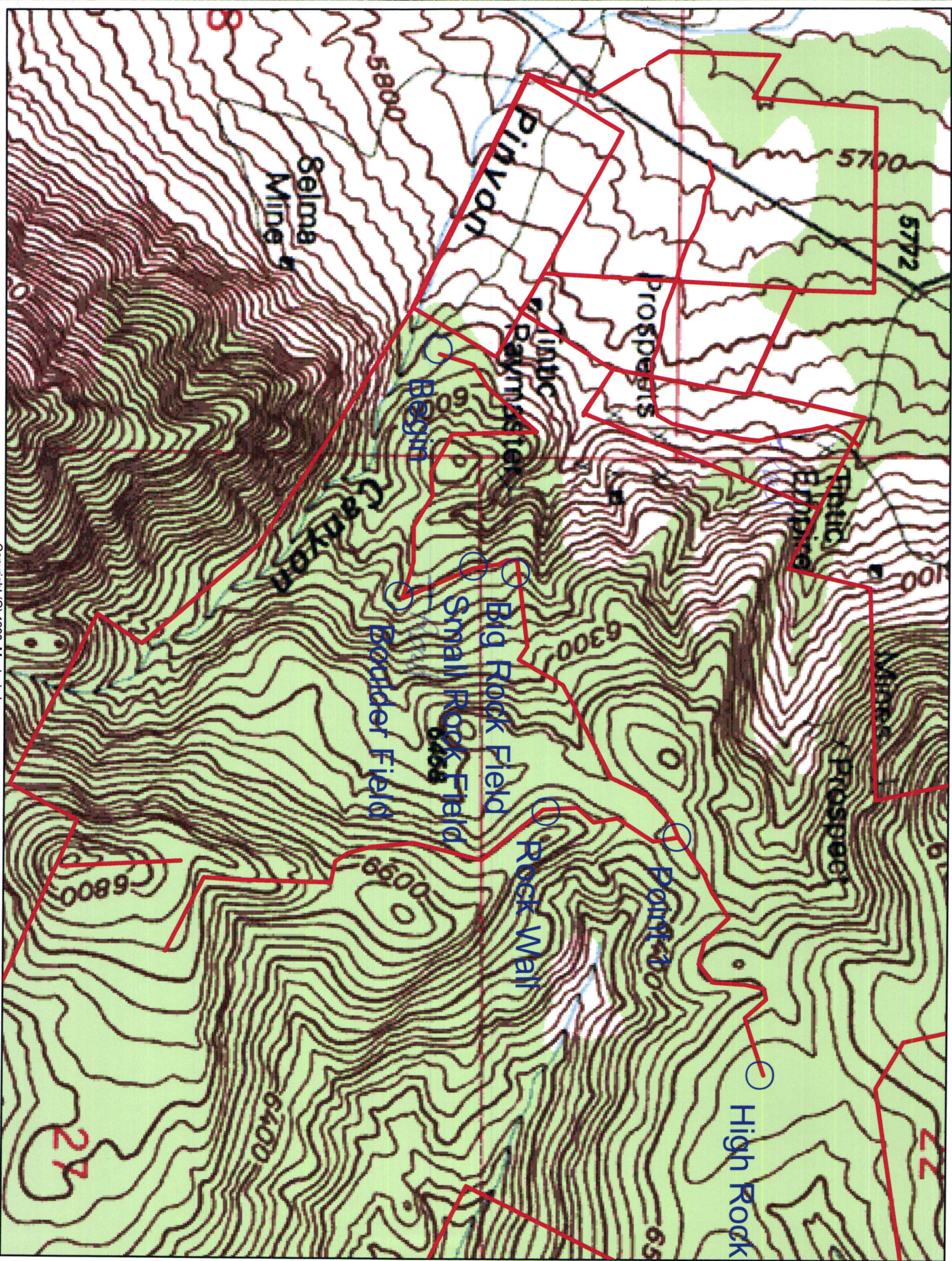
	Length	Wide			
New Haul Road	5,990	15	89,850	43,560	2.062672

Rock Removal Areas	Width	Length			Acres
Large Rock Field	220	260	57,200	43,560	1.313131
Small Rock Field	200	250	50,000	43,560	1.147842
High Rock Field	120	150	18,000	43,560	0.413223
Spur #1	15	180	2,700	43,560	0.061983
Total Area					4.998852

The New Access/Haul Road begins at UTM	12 0409178 E	4429178 N
The Large Rock Field is located near UTM	12 0409584 E	4429272 N
The Small Rock Field is located near UTM	12 0409571 E	4429192 N
The High Rock Field is located near UTM	12 0410494 E	4429707 N

It is intended that as we exhaust the surface rock within one of our "Rock Fields" we will request a site visit by DOGM to: (a) review for reclamation issues and then (b) release that area so that we may, (c) apply the "released area" to a "new rock field area". Thus we can continue to "roll" our rock removal/recovery operation along our access/haul/spur roads.

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**RECLAMATION PLAN
MOSS ROCK OPERATIONS
UTAH COUNTY, UTAH**

The operations covered under this Small Mining Permit will be restricted to the removal of surface rock only. The specific rocks to be removed are valued for their surface features, such as moss or lichen covering in addition to those rocks having unique shapes, colors, etc. Examples of the targeted rocks are reflected the attached photos.

Our mining operations will be significantly different than most other mining areas. Instead of an "intensive site specific" effort designed to gain access to subsurface material, our operation will be: (a) quite disbursed and (b) focus only on surface material. Although this does not lend itself will to regulations designed for "intense subsurface operations" it does lend itself well to the "reclamation side of the regulations". It is intended that our "rock removal/recovery plan" is the initial and fundamental step within our Reclamation Plan.

The removal/recovery of the targeted rocks will be designed to reduce or eliminate any damage to the surface of the rock. It is likely that our rock removal/recovery methods will include a lifting device (i.e. boom truck, telehandler, etc.) that is capable of reaching out from some distance and lifting the rock up, around and/or over any terrain, obstacles such as other rocks, trees or vegetation. It is likely nylon straps or other such devices will be used to "grab" the rock allowing it to be lifted.

It is anticipated that much of the removal/recovery of the targeted rocks will be done with the lifting device in a fixed position (i.e. the main haul road or road spur). It is possible that a mobile telehandler, that is capable of traveling over smaller rocks and vegetation to get to and lift the rocks from their resting place, will be used in some situations.

In any of these scenarios, by definition, this operation will target only surface rock and then the rock will be "lifted" from the ground in a manner that reduces or eliminates any damage to the surface of the rock.

An additional feature of the methods used to remove/recover the rocks during this operation is to preserve a high value recreation use for the property post-mining. The goals and demands of our commercial "post-mining use" are very much in tune with or even perhaps exceed those of the regulatory agencies. We must preserve a pristine visual environment for our post-mining recreational user.

For this same reason, the access/haul road will be critical to the future planned post-mining use of this property. After the cessation of the mining operations, the access/haul road will serve as the "only" access road to the property.

As to the re-seeding of any "disturbed areas" and the related "stock piling of top soil" and preparation of the "seed bed", their should be "no or rarely any" need for either of these functions. The words "no...need" or "rarely any need" are used because our

removal/recovery methods will be focused only on surface rocks, therefore their would be only the "footprint" of the removed rock left on the surface. However, it is anticipated that, from time to time, an individual rock may have some small portion of its "bottom" some inches in the soil. (Keeping in mind, that any rock with significant portions of itself that are buried, thus not covered with moss or lichen, reduces or eliminates its value to our operations.) We believe for those "rare" occasions, the "existing natural" reseeding process should more than address these small disturbed areas.

In summary, the fundamental element of our Reclamation Plan is "prevention". It is intended that our "rock removal/recovery plan" is the initial and fundamental step within our Reclamation Plan.

Aside from some tire marks off road and numerous foot prints of removed rocks, there should be little or no impact on the surface of our "mining area". Any such disturbances should be remedied by the available "natural" reseeding that will occur.

Any good plan does have a fall back plan for the unexpected. We do intend to have the ability to do "spot re-seeding" should the need arise. What we mean by this is similar to what golf courses due for "club marks" on the fairways. We will keep a small container of pre-mixed "sand, fertilizer and seed" available for "spot" situations that may exceed "natures" means. In this way we can correct such situations at the time and on the spot.

We believe this Reclamation Plan:

- (a) Meets or exceeds the regulatory needs;
- (b) Supports our requests for variances; and
- (c) Should greatly reduce the amounts needed for bonding requirements.



